

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 621

BY STATE AFFAIRS COMMITTEE

AN ACT

RELATING TO THE MEDICALLY INDIGENT; AMENDING SECTION 31-3501, IDAHO CODE, TO PROVIDE AN ADDITIONAL POLICY STATEMENT AND TO REVISE TERMINOLOGY; AMENDING SECTION 31-3502, IDAHO CODE, TO REVISE DEFINITIONS; AMENDING SECTION 31-3503, IDAHO CODE, TO REVISE THE POWERS AND DUTIES OF THE COUNTY COMMISSIONERS AND TO REVISE TERMINOLOGY; AMENDING SECTION 31-3503A, IDAHO CODE, TO REVISE THE POWERS AND DUTIES OF THE CATASTROPHIC HEALTH CARE COST PROGRAM BOARD AND TO REVISE TERMINOLOGY; AMENDING SECTION 31-3503C, IDAHO CODE, TO REVISE TERMINOLOGY; AMENDING SECTION 31-3503E, IDAHO CODE, TO CLARIFY LANGUAGE AND TO PROVIDE FOR DEEMED CONSENT; AMENDING SECTION 31-3504, IDAHO CODE, TO REVISE A DEEMED CONSENT PROVISION, TO REVISE TERMINOLOGY, TO REVISE COUNTY CLERK DUTIES REGARDING DETERMINATION OF MEDICAID ELIGIBILITY, TO PROVIDE FOR A CERTAIN PROCEDURE DEPENDING ON WHETHER A PATIENT IS MEDICAID ELIGIBLE, TO PROVIDE FOR CERTAIN DISCRETION FOR THE COUNTY COMMISSIONERS AND THE BOARD AND TO PROVIDE CERTAIN PROCEDURES FOR HOSPITALS AND PROVIDERS SEEKING REIMBURSEMENT; AMENDING SECTION 31-3505, IDAHO CODE, TO CLARIFY AND REVISE TERMINOLOGY; AMENDING SECTION 31-3505A, IDAHO CODE, TO PROVIDE FOR CERTAIN PROCEDURES ESTABLISHED BY THE COUNTY COMMISSIONERS AND THE BOARD AND TO CLARIFY AND REVISE TERMINOLOGY; AMENDING SECTION 31-3505B, IDAHO CODE, TO REVISE TERMINOLOGY; AMENDING SECTION 31-3505C, IDAHO CODE, TO REVISE TERMINOLOGY; AMENDING SECTION 31-3505D, IDAHO CODE, TO REVISE TERMINOLOGY; AMENDING SECTION 31-3505E, IDAHO CODE, TO REVISE TERMINOLOGY; AMENDING SECTION 31-3505F, IDAHO CODE, TO REVISE TERMINOLOGY; AMENDING SECTION 31-3505G, IDAHO CODE, TO REVISE TERMINOLOGY; AMENDING SECTION 31-3507, IDAHO CODE, TO REMOVE CERTAIN HOSPITAL NOTIFICATION REQUIREMENTS, TO CLARIFY AND REVISE TERMINOLOGY AND TO MAKE A TECHNICAL CORRECTION; AMENDING SECTION 31-3508, IDAHO CODE, TO REQUIRE PARTICIPATION IN CERTAIN PROGRAMS BY CERTAIN HOSPITALS AND PROVIDERS AND TO PROVIDE LIMITATION ON PAYMENT BY THE BOARD AND COUNTIES; AMENDING SECTION 31-3509, IDAHO CODE, TO PROVIDE FOR CERTAIN PAYMENT LIMITATIONS FOR THE BOARD AND OBLIGATED COUNTIES, TO REVISE CERTAIN REQUIREMENTS FOR HOSPITALS AND PROVIDERS MAKING CLAIMS FOR REIMBURSEMENT, TO REVISE TERMINOLOGY, TO REVISE CERTAIN PAYMENT PROCEDURES AND TO PROVIDE PAYMENT PROCEDURES UNDER SPECIFIED CIRCUMSTANCES; AMENDING SECTION 31-3510, IDAHO CODE, TO REVISE TERMINOLOGY; AMENDING SECTION 31-3510A, IDAHO CODE, TO REVISE TERMINOLOGY; AMENDING SECTION 31-3511, IDAHO CODE, TO REVISE TO WHOM AND FROM WHOM CERTAIN RESPONSIBILITIES ARE OWING, TO REVISE TERMINOLOGY AND TO MAKE A TECHNICAL CORRECTION; AMENDING SECTION 31-3512, IDAHO CODE, TO REVISE TERMINOLOGY AND TO MAKE A TECHNICAL CORRECTION; AMENDING SECTION 31-3513, IDAHO CODE, TO PROVIDE A CORRECT CODE REFERENCE AND TO REVISE TERMINOLOGY; AMENDING SECTION 31-3514, IDAHO CODE, TO REVISE TERMINOLOGY; AMENDING SECTION 31-3515, IDAHO

CODE, TO REVISE TERMINOLOGY; AMENDING SECTION 31-3515A, IDAHO CODE, TO REVISE TERMINOLOGY; AMENDING SECTION 31-3517, IDAHO CODE, TO REVISE TERMINOLOGY; AMENDING SECTION 31-3518, IDAHO CODE, TO REVISE TERMINOLOGY; AMENDING SECTION 31-3519, IDAHO CODE, TO REVISE THE SERVICES FOR WHICH PAYMENT IS TO BE MADE, TO REVISE PROCEDURES FOR MAKING CERTAIN PAYMENTS AND TO REVISE TERMINOLOGY; AMENDING SECTION 31-3520, IDAHO CODE, TO REVISE TERMINOLOGY; AND AMENDING SECTION 31-3521, IDAHO CODE, TO REVISE TERMINOLOGY AND TO MAKE A TECHNICAL CORRECTION.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 31-3501, Idaho Code, be, and the same is hereby amended to read as follows:

31-3501. DECLARATION OF POLICY. (1) It is the policy of this state that each person, to the maximum extent possible, is responsible for his or her own medical care and to that end, shall be encouraged to purchase his or her own medical insurance with coverage sufficient to prevent them from needing to request assistance pursuant to this chapter. However, in order to safeguard the public health, safety and welfare, and to provide suitable facilities and provisions for the care and hospitalization of persons in this state, and, in the case of medically indigent persons, to provide for the payment thereof, the respective counties of this state, and the ~~administrator board~~ and the department shall have the duties and powers as hereinafter provided.

(2) The legislature recognizes that the county medically indigent program and the catastrophic health care cost program are only a partial solution to the health care costs of Idaho's medically indigent citizens. Therefore, applicants or third party applicants seeking financial assistance under the county medically indigent program and the catastrophic health care cost program shall be subject to the limitations and requirements as set forth herein.

SECTION 2. That Section 31-3502, Idaho Code, be, and the same is hereby amended to read as follows:

31-3502. DEFINITIONS. As used in this chapter, the terms defined in this section shall have the following meaning, unless the context clearly indicates another meaning:

~~(1) "Administrator" means the board of the catastrophic health care cost program, as provided in section 31-3517, Idaho Code.~~

~~(2)~~ "Applicant" means any person who is requesting financial assistance under this chapter.

~~(3)~~ "Application" means an application for financial assistance pursuant to section 31-3504, Idaho Code, and the uniform form used for the initial review and the department's medicaid eligibility determination described in section 31-3503C(4), Idaho Code.

~~(4)~~ "Board" means the board of ~~county commissioners~~ the catastrophic health care cost program, as established in section 31-3517, Idaho Code.

1 (54) "Case management" means coordination of services to help meet a
2 patient's health care needs, usually when the patient has a condition that
3 requires multiple services.

4 (65) "Catastrophic health care costs" means the cost of medically
5 necessary drugs, devices and services received by a recipient that, when
6 paid at the then existing reimbursement rate, in aggregate exceed the sum
7 of eleven thousand dollars (\$11,000) in any twelve (12) consecutive month
8 period.

9 (76) "Clerk" means the clerk of the ~~board~~ respective counties or his or
10 her designee.

11 (7) "County commissioners" means the board of county commissioners in
12 their respective counties.

13 (8) "County hospital" means any county approved institution or
14 facility for the care of sick persons.

15 (9) "Department" means the department of health and welfare ~~or its~~
16 ~~contractor.~~

17 (10) "Dependent" means any person whom a taxpayer could claim as a
18 dependent under the income tax laws of the state of Idaho.

19 (11) "Emergency service" means a service provided for a medical
20 condition in which sudden, serious and unexpected symptoms of illness or
21 injury are sufficiently severe to necessitate or call for immediate medical
22 care, including, but not limited to, severe pain, that the absence of
23 immediate medical attention could reasonably be expected by a prudent person
24 who possesses an average knowledge of health and medicine, to result in:

25 (a) Placing the patient's health in serious jeopardy;

26 (b) Serious impairment to bodily functions; or

27 (c) Serious dysfunction of any bodily organ or part.

28 (12) "Hospital" means a facility licensed and regulated pursuant to
29 sections 39-1301 through 39-1314, Idaho Code, excluding state institutions.

30 (13) "Medicaid eligibility review" means the process used by the
31 department to determine whether a person meets the criteria for medicaid
32 coverage.

33 (14) "Medical home" means a model of primary and preventive care
34 delivery in which the patient has a continuous relationship with a personal
35 physician in a physician directed medical practice that is whole person
36 oriented and where care is integrated and coordinated.

37 (15) "Medically indigent" means any person who is in need of necessary
38 medical services and who, if an adult, together with his or her spouse,
39 or whose parents or guardian if a minor, does not have income and other
40 resources available to him from whatever source sufficient to pay for
41 necessary medical services. Nothing in this definition shall prevent the
42 board ~~of and the~~ county commissioners ~~and administrator~~ from requiring the
43 applicant and obligated persons to reimburse the county and the catastrophic
44 health care costs program, where appropriate, for all or a portion of their
45 medical expenses, when investigation of their application pursuant to this
46 chapter, determines their ability to do so.

47 (16) A. "Necessary medical services" means health care services and
48 supplies that:

49 (a) Health care providers, exercising prudent clinical judgment,
50 would provide to a person for the purpose of preventing,

1 evaluating, diagnosing or treating an illness, injury, disease or
2 its symptoms;

3 (b) Are in accordance with generally accepted standards of
4 medical practice;

5 (c) Are clinically appropriate, in terms of type, frequency,
6 extent, site and duration and are considered effective for the
7 covered person's illness, injury or disease;

8 (d) Are not provided primarily for the convenience of the person,
9 physician or other health care provider; and

10 (e) Are not more costly than an alternative service or sequence of
11 services or supply, and at least as likely to produce equivalent
12 therapeutic or diagnostic results as to the diagnosis or treatment
13 of the person's illness, injury or disease.

14 B. Necessary medical services shall not include the following:

15 (a) Bone marrow transplants;

16 (b) Organ transplants;

17 (c) Elective, cosmetic and/or experimental procedures;

18 (d) Services related to, or provided by, residential, skilled
19 nursing, assisted living and/or shelter care facilities;

20 (e) Normal, uncomplicated pregnancies, excluding caesarean
21 section, and childbirth well-baby care;

22 (f) Medicare copayments and deductibles;

23 (g) Services provided by, or available to, an applicant from
24 state, federal and local health programs; ~~and~~

25 (h) Medicaid copayments and deductibles; and

26 (i) Drugs, devices or procedures primarily utilized for weight
27 reduction and complications directly related to such drugs,
28 devices or procedures.

29 (17) "Obligated person" means the person or persons who are legally
30 responsible for an applicant.

31 (18) "Primary and preventive health care" means the provision of
32 professional health services that include health education and disease
33 prevention, initial assessment of health problems, treatment of acute and
34 chronic health problems and the overall management of an individual's health
35 care services.

36 (19) "Provider" means any person, firm, or corporation certified
37 or licensed by the state of Idaho or holding an equivalent license or
38 certification in another state, that provides necessary medical services to
39 a patient requesting a medically indigent status determination or filing an
40 application for financial assistance.

41 (20) "Recipient" means an individual determined eligible for ~~necessary~~
42 ~~medical services~~ financial assistance under this chapter.

43 (21) "Reimbursement rate" means the unadjusted medicaid rate of
44 reimbursement for medical charges allowed pursuant to title XIX of the
45 social security act, as amended.

46 (22) "Resident" means a person with a home, house, place of abode,
47 place of habitation, dwelling or place where he or she actually lived for a
48 consecutive period of thirty (30) days or more within the state of Idaho. A
49 resident does not include a person who comes into this state for temporary
50 purposes, including, but not limited to, education, vacation, or seasonal

labor. Entry into active military duty shall not change a person's residence for the purposes of this chapter. Those physically present within the following facilities and institutions shall be residents of the county where they were residents prior to entering the facility or institution:

- (a) Correctional facilities;
- (b) Nursing homes or residential or assisted living facilities;
- (c) Other medical facility or institution.

(23) "Resources" means all property, whether tangible or intangible, real or personal, liquid or nonliquid, including, but not limited to, all forms of public assistance, whether contingent, pending or not finally denied, crime victims compensation, worker's compensation, veterans benefits, medicaid, medicare, supplemental security income, third party insurance, other available insurance and any other property from any source for which an applicant and/or an obligated person may be eligible or in which he or she may have an interest. Resources shall include the ability of an applicant and obligated persons to pay for necessary medical services, excluding any interest charges, over a period of up to five (5) years. For purposes of determining approval for medical indigency only, resources shall not include the value of the homestead on the applicant or obligated person's residence, a burial plot, exemptions for personal property allowed in section 11-605(1) through (3), Idaho Code, and additional exemptions allowed by county resolution.

(24) "Third party applicant" means a person other than an obligated person who completes, signs and files an application on behalf of a patient. A third party applicant who files an application on behalf of a patient pursuant to section 31-3504, Idaho Code, shall, if possible, deliver a copy of the application to the patient within three (3) business days after filing the application.

(25) "Utilization management" means the evaluation of medical necessity, appropriateness and efficiency of the use of health care services, procedures and facilities and may include, but is not limited to, preadmission certification, the application of practice guidelines, continued stay review, discharge planning, case management, preauthorization of ambulatory procedures, retrospective review and claims review.

SECTION 3. That Section 31-3503, Idaho Code, be, and the same is hereby amended to read as follows:

31-3503. POWERS AND DUTIES OF ~~BOARDS OF~~ COUNTY COMMISSIONERS. The ~~boards of~~ county commissioners in their respective counties shall, under such limitations and restrictions as are prescribed by law:

(1) Care for and maintain the medically indigent residents of their counties as provided in this chapter up to eleven thousand dollars (\$11,000) per claim in the aggregate over a consecutive twelve (12) month period with the remainder being paid by the state catastrophic health care cost program pursuant to section 31-3519, Idaho Code.

(2) Have the right to contract with providers, transfer patients, negotiate provider agreements, and all other powers incident to the county's duties created by this chapter.

(3) Cooperate with the department, the board and contractors retained by the department or the board to provide services including, but not limited to, medicaid eligibility review and utilization management on behalf of the counties and the ~~administrator~~ board.

(4) Have the jurisdiction and power to provide county hospitals and public general hospitals for the county and others who are sick, injured, maimed, aged and infirm and to erect, enlarge, purchase, lease, or otherwise acquire, and to officer, maintain and improve hospitals, hospital grounds, nurses' homes, shelter care facilities and residential or assisted living facilities as defined in section 39-3301, Idaho Code, superintendent's quarters, medical clinics, as that term is defined in section 39-1319, Idaho Code, medical clinic grounds or any other necessary buildings, and to equip the same, and to replace equipment, and for this purpose said ~~boards~~ commissioners may levy an additional tax of not to exceed six hundredths percent (.06%) of the market value for assessment purposes on all taxable property within the county. The term "public general hospitals" as used in this subsection shall be construed to include nursing homes.

SECTION 4. That Section 31-3503A, Idaho Code, be, and the same is hereby amended to read as follows:

31-3503A. POWERS AND DUTIES OF ~~ADMINISTRATOR~~ THE BOARD. The ~~administrator~~ board shall, under such limitations and restrictions as are prescribed by law:

(1) Pay for necessary medical services for a resident medically indigent person where the reimbursement rate for the claim exceeds in aggregate the sum of eleven thousand dollars (\$11,000) during a consecutive twelve (12) month period;

(2) Cooperate with the department, respective counties of the state and contractors retained by the department or county commissioners to provide services including, but not limited to, eligibility review and utilization management on behalf of the counties and the ~~administrator~~ board;

(3) Require, as the ~~administrator~~ board deems necessary, annual reports from each county and each hospital and provider including, but not limited to, the following:

(a) From each county and for each applicant:

- (i) Case number and the date services began;
- (ii) Age;
- (iii) Residence;
- (iv) Sex;
- (v) Diagnosis;
- (vi) Income;
- (vii) Family size;
- (viii) Amount of costs incurred including provider, legal and administrative charges;
- (ix) Approval or denial; and
- (x) Reasons for denial.

(b) From each hospital:

- (i) 990 tax forms or comparable information;
- (ii) Cost of charges where charitable care was provided; and

(iii) Administrative and legal costs incurred in processing claims under this chapter.

SECTION 5. That Section 31-3503C, Idaho Code, be, and the same is hereby amended to read as follows:

31-3503C. POWERS AND DUTIES OF THE DEPARTMENT. The department shall:

(1) Design and manage a utilization management program and third party recovery system for the medically indigent program.

(2) Have the authority to engage one (1) or more contractors or third party administrators to perform the duties assigned to it pursuant to this chapter including, but not limited to, utilization management and third party recovery for the medically indigent program.

(3) Implement a medicaid eligibility determination process for all potential applicants.

(4) Develop and implement by July 1, 2010, in cooperation with the Idaho association of counties and the Idaho hospital association, a uniform form to be used for both the initial review, pursuant to section 31-3503E, Idaho Code, and the application for financial assistance pursuant to section 31-3504, Idaho Code.

(5) Cooperate with the counties and the ~~administrator~~ board in providing the services required of it pursuant to this chapter.

(6) Promulgate rules to implement its duties and responsibilities under the provisions of this chapter.

SECTION 6. That Section 31-3503E, Idaho Code, be, and the same is hereby amended to read as follows:

31-3503E. MEDICAID ELIGIBILITY DETERMINATION. The department shall:

(1) Require the hospital to undertake an initial review of a patient upon stabilization to determine whether the patient may be eligible for medicaid or may be medically indigent. If the hospital's initial review determines that the patient may be eligible for medicaid or may be medically indigent, require that the hospital transmit the initial review and a written request for medicaid eligibility determination to the department within one (1) working day of the completion of the initial review.

(2) Undertake a determination of possible medicaid eligibility upon receipt from the hospital of the initial review and written request for medicaid eligibility determination. The department will use the medicaid eligibility guidelines in place as of the date of submission of the written request, apply categorical and financial eligibility requirements and use all sources available to the department to obtain verification in making the determination.

(3) In order to ascertain medicaid eligibility, require the patient or the obligated person to cooperate with the department according to its rules in investigating, providing documentation, submitting to an interview and notifying the department of the receipt of resources after the initial review form has been submitted to the department.

(4) Promptly notify the hospital and clerk of potential medicaid eligibility and the basis of possible eligibility.

(5) Act on the initial review form as an application for medicaid if it appears that the patient may be eligible for medicaid. An application for medicaid shall not be an application for financial assistance pursuant to section 31-3504, Idaho Code.

(6) Utilize the verification and cooperation requirement in department rule to complete the eligibility determination.

(7) Notify the patient or the obligated person, the hospital and the clerk of a denial and the reason therefor if the applicant fails to cooperate, fails to provide documentation necessary to complete the determination or is determined to be categorically or financially ineligible for medicaid. If, based on its medicaid eligibility review, the department determines that the patient is not eligible for medicaid but may be medically indigent, transmit a copy of the initial review to the clerk. The transmitted copy of the initial review shall be treated by the clerk as an application for financial assistance pursuant to section 31-3504, Idaho Code. Denial of medicaid eligibility is not a determination of medical indigence.

(8) Make income and resource information obtained from the medicaid eligibility determination process available to the county to assist in determination of medical indigency at the time the department notifies the county of the final medicaid eligibility determination.

The initial review form shall be deemed consent for providers, the hospital, the department, respective counties and the board to exchange information pertaining to the applicant's health and finances for the purposes of determining medicaid eligibility or medical indigency.

SECTION 7. That Section 31-3504, Idaho Code, be, and the same is hereby amended to read as follows:

31-3504. APPLICATION FOR FINANCIAL ASSISTANCE. (1) Except as provided for in section 31-3503E, Idaho Code, an applicant requesting assistance under this chapter shall complete a written application. The truth of the matters contained in the application shall be sworn to by the applicant. The application shall be deemed consent for the providers, hospital, department, respective counties and ~~administrator~~ board to exchange information pertaining to the applicant's health and finances for the purposes of determining medicaid eligibility or medical indigency. The application shall be signed by the applicant or on the applicant's behalf and filed in the clerk's office. If the clerk determines that the patient may be eligible for medicaid, within one (1) business day of the filing of the application in the clerk's office, the clerk shall transmit a copy of the application and a written request for medicaid eligibility determination to the department.

(a) If, based on its medicaid eligibility review, the department determines that the patient is eligible for medicaid, the department shall act on the application as an application for medicaid.

(b) If, based on its medicaid eligibility review, the department determines that the patient is not eligible for medicaid, the department shall notify the clerk of the denial and the reason therefor, in accordance with section 31-3503E, Idaho Code. Denial of medicaid eligibility is not a determination of medical indigence.

1 (2) If a third party application is filed, the application shall be
 2 as complete as practicable and presented in the same form and manner as set
 3 forth in subsection (1) of this section.

4 (3) Follow-up necessary medical services based on a treatment plan,
 5 for the same condition, preapproved by the board county commissioners, may
 6 be provided for a maximum of six (6) months from the date of the original
 7 application without requiring an additional application; however, a request
 8 for additional treatment not specified in the approved treatment plan shall
 9 be filed with the clerk ten (10) days prior to receiving services. Beyond
 10 the six (6) months, requests for additional treatment related to an original
 11 diagnosis in accordance with a preapproved treatment plan shall be filed
 12 ten (10) days prior to receiving services and an updated application may be
 13 requested by the board county commissioners.

14 (4) Upon application for financial assistance pursuant to this chapter
 15 an automatic lien shall attach to all real and personal property of the
 16 applicant and on insurance benefits to which the applicant may become
 17 entitled. The lien shall also attach to any additional resources to which
 18 it may legally attach not covered in this section. The lien created by
 19 this section may be, in the discretion of the county commissioners and
 20 the board, perfected as to real property and fixtures by recording, in any
 21 county recorder's office in this state in which the applicant and obligated
 22 person own property, a notice of application for medical indigency benefits
 23 on a uniform form agreed to by the Idaho association of counties and the
 24 Idaho hospital association, which form shall be recorded as provided herein
 25 within thirty (30) days from receipt of an application, and such lien, if so
 26 recorded, shall have a priority date as of the date the necessary medical
 27 services were provided. The lien created by this section may also be, in
 28 the discretion of the county commissioners and the board, perfected as to
 29 personal property by filing with the secretary of state within thirty (30)
 30 days of receipt of an application, a notice of application in substantially
 31 the same manner as a filing under chapter 9, title 28, Idaho Code, except that
 32 such notice need not be signed and no fee shall be required, and, if so filed,
 33 such lien shall have the priority date as of the date the necessary medical
 34 services were provided. An application for assistance pursuant to this
 35 chapter shall waive any confidentiality granted by state law to the extent
 36 necessary to carry out the intent of this section.

37 (5) In accordance with rules and procedures promulgated by the
 38 department, each hospital and provider seeking reimbursement under this
 39 chapter shall submit billings for necessary medical services to the
 40 department's contractor for its utilization management review within five
 41 (5) days of receiving notification that the patient is not eligible for
 42 medicaid. A copy of the results of the reviewed billings for necessary
 43 medical services shall be transmitted by the department's contractor to the
 44 clerk of the obligated county.

45 SECTION 8. That Section 31-3505, Idaho Code, be, and the same is hereby
 46 amended to read as follows:

47 31-3505. TIME AND MANNER OF FILING APPLICATIONS AND REQUESTS FOR
 48 FINANCIAL ASSISTANCE. Applications and requests for ~~necessary medical~~

1 ~~services~~ financial assistance shall be filed with the clerk according to the
 2 following time limits. Filing is complete upon receipt by the clerk.

3 (1) An application for nonemergency necessary medical services shall
 4 be filed ten (10) days prior to receiving services from the provider.

5 (2) An application for emergency necessary medical services shall be
 6 made any time within thirty-one (31) days beginning with the first day of the
 7 provision of necessary medical services from the provider or in the case of
 8 hospitalization, thirty-one (31) days beginning with the date of admission,
 9 or if a request for medicaid eligibility determination has been denied by the
 10 department pursuant to section 31-3503E, Idaho Code, within thirty-one (31)
 11 days of receiving notice of the denial.

12 (3) Requests for additional treatment related to an original diagnosis
 13 in accordance with a preapproved treatment plan shall be filed ten (10) days
 14 prior to receiving services.

15 (4) A delayed application for necessary medical services may be filed
 16 up to one hundred eighty (180) days beginning with the first day of the
 17 provision of necessary medical services provided that:

18 (a) Written documentation is included with the application or no
 19 later than forty-five (45) days after an application has been filed
 20 showing that a bona fide application or claim has been filed for social
 21 security disability insurance, supplemental security income, third
 22 party insurance, medicaid, medicare, crime victim's compensation,
 23 and/or worker's compensation. A bona fide application means that:

24 (i) The application was timely filed within the appropriate
 25 agency's application or claim time period; and

26 (ii) Given the circumstances of the patient and/or obligated
 27 persons, the patient and/or obligated persons, and given the
 28 information available at the time the application or claim for
 29 other resources is filed, would reasonably be expected to meet the
 30 eligibility criteria for such resources; and

31 (iii) The application was filed with the appropriate agency in
 32 such a time and manner that, if approved, it would provide for
 33 payment coverage of the bills included in the county application;
 34 and

35 (iv) In the discretion of the ~~board~~ county commissioners, bills
 36 on a delayed application which would not have been covered by a
 37 successful application or timely claim to the other resource(s)
 38 may be denied by the ~~board~~ county commissioners as untimely; and

39 (v) In the event an application is filed for supplemental security
 40 income, an Idaho medicaid application must also have been filed
 41 within the department of health and welfare's application or claim
 42 time period to provide payment coverage of eligible bills included
 43 in the county application.

44 (b) Failure by the patient and/or obligated persons to complete the
 45 application process described in this section, up to and including
 46 any reasonable appeal of any denial of benefits, with the applicable
 47 program noted in paragraph (a) of this subsection, shall result in
 48 denial of the county assistance application.

49 (5) Any application or request which fails to meet the provisions of
 50 this section, and/or other provisions of this chapter, shall be denied.

1 (6) In the event that a county determines that a different county is
2 the obligated county, an application may be filed in the other county within
3 thirty (30) days of the date of the initial county denial.

4 SECTION 9. That Section 31-3505A, Idaho Code, be, and the same is hereby
5 amended to read as follows:

6 31-3505A. INVESTIGATION OF APPLICATION ~~OR REQUEST~~. (1) The clerk
7 shall interview the applicant and investigate the information provided on
8 the application, along with all other required information, in accordance
9 with the procedures established by the county commissioners, the board
10 and this chapter. The clerk shall promptly notify the applicant, or third
11 party filing an application on behalf of an applicant, of any material
12 information missing from the application which, if omitted, may cause the
13 application to be denied for incompleteness. In addition, any provider
14 requesting notification shall be notified at the same time. When necessary,
15 such persons as may be deemed essential, may be compelled by the clerk to
16 give testimony and produce documents and other evidence under oath in order
17 to complete the investigation. The clerk is hereby authorized to issue
18 subpoenas to carry out the intent of this provision and to otherwise compel
19 compliance in accordance with provisions of Idaho law.

20 (2) The applicant or third party filing an application on behalf of an
21 applicant to the extent they have knowledge, shall have a duty to cooperate
22 with the ~~county clerk~~ in investigating, providing documentation, submitting
23 to an interview and ascertaining eligibility and shall have a continuing
24 duty to notify the ~~responsible obligated~~ county of the receipt of resources
25 after an application has been filed.

26 (3) The clerk shall have twenty (20) days to complete the investigation
27 of an application for nonemergency necessary medical services.

28 (4) The clerk shall have forty-five (45) days to complete the
29 investigation of an application for emergency necessary medical services.

30 (5) In the case of follow-up treatment, the clerk shall have ten (10)
31 days to complete an interview on a request for additional treatment to update
32 the financial and other information contained in a previous application
33 for an original diagnosis in accordance with a treatment plan previously
34 approved by the ~~board~~ county commissioners.

35 (6) Upon completion of the interview and investigation of the
36 application or request, a statement of the clerk's findings shall be filed
37 with the ~~board~~ county commissioners.

38 SECTION 10. That Section 31-3505B, Idaho Code, be, and the same is
39 hereby amended to read as follows:

40 31-3505B. APPROVAL. The ~~board~~ county commissioners shall approve an
41 application for assistance if it determines that necessary medical services
42 have been or will be provided to a medically indigent person in accordance
43 with this chapter; provided, the amount paid by the county for any medically
44 indigent resident shall not exceed in aggregate the sum of eleven thousand
45 dollars (\$11,000) per applicant for any consecutive twelve (12) month
46 period.

1 SECTION 11. That Section 31-3505C, Idaho Code, be, and the same is
2 hereby amended to read as follows:

3 31-3505C. INITIAL DECISION BY THE ~~BOARD~~ COUNTY COMMISSIONERS. The
4 ~~board county commissioners~~ shall make an initial determination on an
5 application within fifteen (15) days from receipt of the clerk's statement
6 and within five (5) days from receiving the clerk's statement on a request.
7 The initial determination shall be mailed to the applicant or the third
8 party making application on behalf of the applicant, as the case may be, and
9 each provider listed on the application within five (5) days of the initial
10 determination.

11 SECTION 12. That Section 31-3505D, Idaho Code, be, and the same is
12 hereby amended to read as follows:

13 31-3505D. APPEAL OF INITIAL DETERMINATION. An applicant or
14 provider may appeal an adverse initial determination of the ~~board county~~
15 commissioners by filing a written notice of appeal with the ~~board county~~
16 commissioners within twenty-eight (28) days of the date of the initial
17 determination. If no appeal is filed within the time allowed, the
18 determination of the ~~board county commissioners~~ shall become final.

19 SECTION 13. That Section 31-3505E, Idaho Code, be, and the same is
20 hereby amended to read as follows:

21 31-3505E. HEARING ON APPEAL OF INITIAL DETERMINATION. The ~~board~~
22 county commissioners shall hold a hearing on the appeal within seventy-five
23 (75) days of receipt of the notice of appeal. The hearing may be continued
24 by the ~~board county commissioners~~ for not more than forty-five (45) days
25 from the date of the hearing to allow the applicant to produce additional
26 information, documents, records, testimony or other evidence required in
27 the discretion of the ~~board county commissioners~~ or to allow a decision on
28 eligibility of the applicant for benefits to be reached by another agency
29 such as, but not limited to, the social security administration or the ~~state~~
30 ~~of Idaho~~ department of health and welfare. The hearing may be continued for
31 additional periods by mutual stipulation of the ~~board county commissioners~~
32 and the applicant. The ~~board county commissioners~~ shall make a final
33 determination within thirty (30) days of the conclusion of the hearing. The
34 final determination of the ~~board county commissioners~~ shall be mailed to the
35 applicant, or the third party making application on behalf of an applicant,
36 as the case may be and each provider listed on the application, within five
37 (5) days of the date of the final determination.

38 SECTION 14. That Section 31-3505F, Idaho Code, be, and the same is
39 hereby amended to read as follows:

40 31-3505F. ARBITRATION. In the event that a county determines that a
41 service is not a necessary medical service, a provider may submit the issue
42 to a panel for arbitration as follows:

43 (1) Within thirty (30) days of the determination, the ~~board county~~
44 commissioners and the provider shall each appoint one (1) licensed medical

1 or osteopathic doctor with expertise in the condition treated or to be
 2 treated. The two (2) appointees shall jointly select a third medical or
 3 osteopathic licensed doctor with equivalent expertise. The panel shall
 4 review such information as it deems necessary and render a decision within
 5 thirty (30) days as to whether the covered service is a necessary medical
 6 service.

7 (2) There shall be no judicial or other review or appeal of the findings
 8 of the panel. No party shall be obligated to comply with or otherwise be
 9 affected or prejudiced by the proposals, conclusions or suggestions of
 10 the panel or any member or segment thereof; however, in the interest of
 11 due consideration being given to such proceedings and in the interest of
 12 encouraging consideration of claims informally and without the necessity of
 13 litigation, the applicable statute of limitations shall be tolled and not
 14 deemed to run during the time that such a claim is pending before the panel
 15 and for thirty (30) days thereafter.

16 (3) Expenses incurred by the members of the panel in the performance
 17 of their duties will be borne by the respective parties making their
 18 appointment, and expenses of the third member shall be divided equally among
 19 the respective parties.

20 SECTION 15. That Section 31-3505G, Idaho Code, be, and the same is
 21 hereby amended to read as follows:

22 31-3505G. PETITION FOR JUDICIAL REVIEW OF FINAL DETERMINATION. If,
 23 after a hearing as provided in section 31-3505E, Idaho Code, the final
 24 determination of the ~~board~~ county commissioners is to deny an application
 25 for financial assistance with necessary medical services, the applicant, or
 26 a third party making application on an applicant's behalf, may seek judicial
 27 review of the final determination of the ~~board~~ county commissioners in the
 28 manner provided in section 31-1506, Idaho Code.

29 SECTION 16. That Section 31-3507, Idaho Code, be, and the same is hereby
 30 amended to read as follows:

31 31-3507. ~~NOTICE OF ADMISSION AND TRANSFER OF A MEDICALLY INDIGENT~~
 32 ~~PATIENT. (1) A hospital shall notify the department and the clerk of the~~
 33 ~~county or counties responsible within one (1) working day of its initial~~
 34 ~~review determination pursuant to section 31-3503E, Idaho Code, that the~~
 35 ~~patient is potentially medically indigent. The notice shall include the~~
 36 ~~following if available:~~

37 ~~(a) Name, address, telephone number, date of birth, social security~~
 38 ~~number and date of admission of the patient;~~
 39 ~~(b) Name, address and telephone number of responsible party;~~
 40 ~~(c) Name of attending physician;~~
 41 ~~(d) Diagnosis and/or reason for admission;~~
 42 ~~(e) Name, address and telephone number of the person completing the~~
 43 ~~notice of admission.~~

44 ~~(2) The department, a~~ An obligated county or administrator the
 45 board shall have the right to have an approved medically indigent person
 46 transferred to a hospital or facility, in accordance with requirements of
 47 the federal emergency medical treatment and active labor act, 42 U.S.C.,

1 section 1395d-d-; provided however, treatment for the necessary medical
 2 service must be available at the designated facility, and ~~the department~~
 3 ~~and~~ the county contract physician, or the attending physician if no
 4 county contract physician is available, must certify that the transfer of
 5 such person would not present a significant risk of further injury. The
 6 ~~department, the obligated county, the administrator board,~~ and hospital
 7 from which or to which a person is taken or removed as herein provided,
 8 as well as the attending physician(s), shall not be liable in any manner
 9 whatsoever and shall be immune from suit for any causes of action arising
 10 from a transfer performed in accordance with this section. The immunities
 11 and freedom from liability granted pursuant to this section shall extend to
 12 any person, firm or corporation acting in accordance with this section.

13 SECTION 17. That Section 31-3508, Idaho Code, be, and the same is hereby
 14 amended to read as follows:

15 31-3508. ~~AMOUNT OF AID~~ LIMITATIONS ON PAYMENTS FOR NECESSARY MEDICAL
 16 SERVICES. (1) Each hospital and provider seeking reimbursement under the
 17 provisions of this chapter shall fully participate in the utilization
 18 management program and third party recovery system.

19 (2) The board and the county responsible for payment of necessary
 20 medical services of a medically indigent person shall pay an amount not to
 21 exceed the amount recommended by the utilization management program and the
 22 current medicaid rate. The bill submitted for payment shall show the total
 23 provider charges less any amounts which have been received under any other
 24 federal or state law. Bills of less than twenty-five dollars (\$25.00) shall
 25 not be presented for payment.

26 SECTION 18. That Section 31-3509, Idaho Code, be, and the same is hereby
 27 amended to read as follows:

28 31-3509. ADMINISTRATIVE OFFSETS AND COLLECTIONS BY PROVIDERS. (1)
 29 Pursuant to the provisions of this chapter, the obligated county and the
 30 board are payers of last resort. Providers shall accept payment made by an
 31 obligated county or the board as payment in full. Providers shall not bill
 32 an applicant or any other obligated person for services that have been paid,
 33 in whole or in part, by an obligated county or the board pursuant to the
 34 provisions of this chapter for any balance on the amount paid.

35 (2) Hospitals and pProviders making claims for reimbursement of
 36 necessary medical services ~~of provided for~~ medically indigent persons
 37 shall ~~make all reasonable efforts to~~ determine liability for the account so
 38 incurred from ~~any available insurance or other sources available for payment~~
 39 ~~of such expenses~~ all resources and exhaust all reasonable efforts to collect
 40 for the account so incurred from all resources including, but not limited to,
 41 all forms of public assistance, whether contingent, pending or not finally
 42 denied, crime victims compensation, worker's compensation, veterans
 43 benefits, medicaid, medicare, supplemental security income, third party
 44 insurance and other available insurance, prior to submitting the bill to the
 45 department county commissioners for review. In the event that a provider
 46 has been notified that an individual qualifies for approval of benefits,
 47 such provider(s) shall submit a bill to third party insurance, medicaid,

1 medicare, crime victims compensation and/or worker's compensation for
 2 payment within thirty (30) days of such notice. In the event any payments are
 3 thereafter received for charges which have been paid by a county and/or the
 4 ~~administrator board~~ pursuant to the provisions of this chapter, said sums
 5 up to the amount actually paid by the county and/or the ~~administrator board~~
 6 shall be paid over to ~~the department~~ such county and/or board within sixty
 7 (60) days of receiving such payment from other resources. ~~The department~~
 8 ~~shall distribute the payment to the county and/or administrator pursuant to~~
 9 ~~section 31-3510A, Idaho Code.~~

10 (3) In the event, an applicant is determined retrospectively eligible
 11 for third party insurance, medicaid, medicare, supplemental security
 12 income, crime victims compensation, worker's compensation, other available
 13 insurance or other third party sources, for any services in which a hospital
 14 or provider sought and received payments by an obligated county or the board
 15 under the provisions of this chapter, each hospital or provider shall submit
 16 or resubmit the services for payment by third party insurance, medicaid,
 17 medicare, supplemental security income, crime victims compensation,
 18 worker's compensation, other available insurance or other third party
 19 sources.

20 (4) Any amount paid by an obligated county or the board under the
 21 provisions of this chapter, which amount is subsequently determined to have
 22 been an overpayment, shall be an indebtedness of the hospital or provider
 23 due and owing to the obligated county and the board. Such indebtedness may
 24 include circumstances where the applicant is subsequently determined to
 25 be eligible for third party insurance, medicaid, medicare, supplemental
 26 security income, crime victims compensation, worker's compensation, other
 27 available insurance or other third party sources.

28 (5) The obligated county and the board shall have a first lien prorated
 29 between such county and the board in proportion to the amount each has paid.
 30 The obligated county and the board may request a refund from a hospital or
 31 provider in the amount of the overpayment, or after notice, recover such
 32 indebtedness by deducting from and setting off the amount of the overpayment
 33 to a hospital or provider from any outstanding amount or amounts due and
 34 payable to the same hospital or provider pursuant to the provisions of this
 35 chapter.

36 SECTION 19. That Section 31-3510, Idaho Code, be, and the same is hereby
 37 amended to read as follows:

38 31-3510. RIGHT OF SUBROGATION. Upon payment of a claim for necessary
 39 medical services pursuant to this chapter, the obligated county and the
 40 ~~catastrophic health care costs program board~~ making such payment shall
 41 become subrogated to all the rights of the hospital and other providers
 42 and to all rights of the medically indigent person against any third
 43 parties who may be the cause of or liable for such necessary medical
 44 services. ~~The department board~~ may pursue collection of the county's and the
 45 ~~administrator's board's~~ subrogation interests.

46 SECTION 20. That Section 31-3510A, Idaho Code, be, and the same is
 47 hereby amended to read as follows:

1 31-3510A. REIMBURSEMENT. (1) Receipt of financial assistance
 2 pursuant to this chapter shall obligate an applicant to reimburse the county
 3 from which assistance is received and the ~~catastrophic health care costs~~
 4 ~~program board~~ for such reasonable portion of the financial assistance paid
 5 on behalf of the applicant as the ~~board~~ county commissioners may determine
 6 that the applicant is able to pay from resources over a reasonable period of
 7 time. Cash amounts received shall be prorated between the county and the
 8 ~~state board~~ in proportion to the amount each has paid.

9 (2) A final determination shall not relieve the applicant's duty
 10 to make additional reimbursement from resources if the ~~board~~ county
 11 commissioners subsequently find~~s~~ within a reasonable period of time that
 12 there has been a substantial change in circumstances such that the applicant
 13 is able to pay additional amounts up to the total claim paid on behalf of the
 14 applicant.

15 (3) A final determination shall not prohibit the ~~board~~ county
 16 commissioners from reviewing a petition from an applicant to reduce an order
 17 of reimbursement based on a substantial change in circumstances.

18 (4) The automatic lien created pursuant to the chapter may be filed and
 19 recorded in any county of this state wherein the applicant has resources and
 20 may be liquidated or unliquidated in amount. Nothing herein shall prohibit
 21 an applicant from executing a consensual lien in addition to the automatic
 22 lien created by filing an application pursuant to this chapter. In the event
 23 that resources can be located in another state, the clerk may file the lien
 24 with the district court and provide notice to the recipient. The recipient
 25 shall have twenty (20) days to object, following which the district court
 26 shall enter judgment against the recipient. The judgment entered may
 27 thereafter be filed as provided for the filing of a foreign judgment in that
 28 jurisdiction.

29 (5) The county shall have the same right of recovery as provided to the
 30 state of Idaho pursuant to sections 56-218 and 56-218A, Idaho Code.

31 (6) The ~~board~~ county commissioners may require the employment of such
 32 of the medically indigent as are capable and able to work and whose attending
 33 physician certifies they are capable of working.

34 (7) That portion of the moneys received by a county as reimbursement
 35 that are not assigned to the state catastrophic health care fund shall be
 36 credited to the county indigent fund.

37 (8) If, after a hearing, the final determination of the ~~board~~ county
 38 commissioners is to require a reimbursement amount or rate the applicant
 39 believes excessive, the applicant may seek judicial review of the final
 40 determination of the ~~board~~ county commissioners in the manner provided in
 41 section 31-1506, Idaho Code.

42 SECTION 21. That Section 31-3511, Idaho Code, be, and the same is hereby
 43 amended to read as follows:

44 31-3511. VIOLATIONS AND PENALTIES. (1) Any applicant or obligated
 45 person who willfully gives false or misleading information to the
 46 department, board, a hospital, a county or an agent thereof, or to any
 47 individual in order to obtain necessary medical services as or for a
 48 medically indigent person, or any person who obtains necessary medical
 49 services as a medically indigent person who fails to disclose insurance,

worker's compensation, resources, or other benefits available to him as payment or reimbursement of such expenses incurred, shall be guilty of a misdemeanor and punishable under the general provisions for punishment of a misdemeanor. In addition, any applicant or obligated person who fails to cooperate with the department, board or a county or makes a material misstatement or material omission to the department in a request for medicaid eligibility determination, pursuant to section 31-3503~~351~~³⁵⁴, Idaho Code, or a county in an application pursuant to this chapter shall be ineligible for nonemergency assistance under this chapter for a period of two (2) years.

(2) The ~~board~~ county commissioners shall not have jurisdiction to hear and shall not approve an application for necessary medical services unless an application in the form prescribed by this chapter is received by the clerk in accordance with the provisions of this chapter.

(3) The ~~board~~ county commissioners may deny an application if material information required in the application or request is not provided by the applicant or a third party or if the applicant has divested himself or herself of resources within one (1) year prior to filing an application in order to become eligible for assistance pursuant to this chapter. An applicant who is sanctioned by federal or state authorities and loses medical benefits as a result of failing to cooperate with the respective agency or making a material misstatement or material omission to the respective agency shall be ineligible for assistance pursuant to this chapter for the period of such sanction.

(4) If the ~~board~~ county commissioners ~~fail~~ to act upon an application within the timelines required under this chapter, the application shall be deemed approved and payment made as provided in this chapter.

(5) An applicant may appeal a decision rendered by the ~~board~~ county commissioners pursuant to this section in the manner provided in section 31-1506, Idaho Code.

SECTION 22. That Section 31-3512, Idaho Code, be, and the same is hereby amended to read as follows:

31-3512. JOINT COUNTY HOSPITALS. Recognizing the need of hospitals for the public welfare and the burden for one (1) county to finance the cost of such construction, operation and maintenance thereof within its own boundaries under certain circumstances, the ~~boards of~~ county commissioners in their respective counties shall have the power to jointly and severally enter into contracts or agreements with one (1) or more adjoining counties to construct, operate and maintain joint county hospitals, either within or without the boundaries of such counties, upon a finding of each such ~~board~~ county commissioners that there is a public necessity requiring the financing of such hospital facilities jointly with one (1) or more adjoining counties. The ~~boards of~~ county commissioners shall have the same powers to operate, finance and bond for such joint county hospitals as they would have for a county hospital.

SECTION 23. That Section 31-3513, Idaho Code, be, and the same is hereby amended to read as follows:

31-3513. ELECTION FOR ISSUANCE OF BONDS. The county commissioners may, when they deem the welfare of their counties require it, or when petitioned thereto by a number of resident taxpayers of their respective counties equal to five percent (5%) of the number of persons voting for the secretary of state of the state of Idaho, at the election next preceding the date of such petition, submit to the qualified electors of said county at any election held as provided in section 34-106, Idaho Code, the proposition whether negotiable coupon bonds of the county to the amount stated in such proposition shall be issued and sold for the purpose of providing such hospital, hospital grounds, nurses' homes, nursing homes, residential or assisted living facilities, shelter care facilities, medical clinics, superintendent's quarters, or any other necessary buildings, and equipment, and may on their own initiative submit to the qualified electors of the county at any general election the proposition whether negotiable coupon bonds of the county to the amount stated in such proposition shall be issued and sold for the purpose of providing for the extension and enlargement of existing hospital, hospital grounds, nurses' homes, nursing homes, residential or assisted living facilities, shelter care facilities, medical clinics or grounds, superintendent's quarters, or any other necessary buildings, and equipment, and when authorized thereto by two-thirds (2/3) vote at such election, shall issue and sell such coupon bonds and use the proceeds therefrom for the purposes authorized by such election. Said proposition may be submitted to the qualified electors at an election held subject to the provisions of section 34-106, Idaho Code, if the ~~board of~~ county commissioners shall by resolution so determine. No person shall be qualified to vote at any election held under the provisions of this section unless he shall possess all the qualifications required of electors under the general laws of this state.

The ~~board~~ county commissioners shall be governed in calling and holding such election and in the issuance and sale of such bonds, and in the providing for the payment of the principal and interest thereon by the provisions of ~~sections 31-1901 through 31-1909~~ chapter 19, title 31, Idaho Code, and by the provisions of chapter 2, title 57, Idaho Code; provided, however, that when such bonds have been issued and sold and a period of two (2) years or more has elapsed from the date of sale of said bonds and for any reason the proceeds from the sale of said bonds or other moneys appropriated for the purpose for which said bonds were issued, have not been used for the purpose for which they were appropriated or said bond issue made, the ~~board~~ county commissioners may, with the written consent of all of the bondholders first having been obtained, submit to the qualified electors, as herein defined, the question of spending such moneys for a definite purpose. The purpose for which it is decided to spend such moneys shall be clearly and plainly stated on the ballot. If a majority of the qualified electors shall vote in favor of spending such moneys for the purpose stated, the ~~board of~~ county commissioners shall proceed in the same manner as if such different purpose had been the original purpose for such bond issue or appropriation. Provided, further that if less than a majority of the qualified electors shall vote in favor of spending such moneys for such different purpose, or if no such election should be had, when all of the bonds shall have been retired, such excess moneys shall be placed in the general fund.

1 SECTION 24. That Section 31-3514, Idaho Code, be, and the same is hereby
2 amended to read as follows:

3 31-3514. INTERNAL MANAGEMENT -- ACCOUNTS AND REPORTS. Such facilities
4 as referred to in section 31-3503(2), Idaho Code, may suitably provide for
5 and accept other patients and must charge and accept payments from such other
6 patients as are able to make payments for services rendered and care given.
7 The ~~board of~~ county commissioners may make suitable rules and regulations
8 for the management and operation of such property by a suitable board of
9 control, or otherwise, or for carrying out such hospital uses and purposes
10 under a lease of the same.

11 The boards or officers or lessees of such hospital property shall render
12 accounts and reports to the county commissioners as may be required by the
13 ~~board~~ county commissioners; and shall render accounts and deliver over any
14 and all moneys received by them for the county to the county treasurer to
15 be credited to the operation expense of hospitals and indigent sick and
16 otherwise dependent poor of the county in such manner as provided by law for
17 the handling of funds of this kind.

18 Said board of control may permit persons from out of the county
19 where such hospital is located to be admitted for hospitalization to such
20 hospital. As to such cases special rates for the use and service of such
21 hospital may be provided which rates shall apply equally to all such patients
22 who do not pay taxes within the county where such hospital is located.
23 The purpose of providing such special rates shall be to compel persons
24 living out of the county where such hospital is located, and who receive
25 hospitalization in such hospital, to bear a just burden of the cost of
26 construction and maintenance of such hospital.

27 SECTION 25. That Section 31-3515, Idaho Code, be, and the same is hereby
28 amended to read as follows:

29 31-3515. LEASE OR SALE. Such counties acting through their ~~boards of~~
30 county commissioners shall have the right to lease such hospitals upon such
31 terms and for such a length of time as they may decide, or to sell the same;
32 provided, however, that no such lease or sale, except those leases entered
33 into between such counties and the Idaho health facilities authority as
34 provided in section 31-836, Idaho Code, shall be final or valid unless and
35 until it has been approved by a majority of the qualified electors of said
36 county voting on such question at an election held subject to the provisions
37 of section 34-106, Idaho Code; except if a hospital district has been
38 created under the provisions of chapter 13, title 39, Idaho Code, ~~a board of~~
39 county commissioners shall have the right to lease, as provided in section
40 31-836, Idaho Code, such hospitals within a created hospital district to the
41 hospital district without submitting the question of lease or sale to the
42 qualified electors of the county or the respective hospital district.

43 SECTION 26. That Section 31-3515A, Idaho Code, be, and the same is
44 hereby amended to read as follows:

45 31-3515A. CONVEYANCE, LEASE OF COUNTY HOSPITAL TO NONPROFIT
46 CORPORATION. (1) As an alternative to the procedure set forth in section

1 31-3515, Idaho Code, counties acting through their respective ~~boards of~~
 2 county commissioners may convey or lease county hospitals, and the equipment
 3 therein, subject to the following conditions:

4 (a) The entity to which the hospital is to be transferred shall be a
 5 nonprofit corporation;

6 (b) No lease term shall exceed ninety-nine (99) years. This
 7 subsection supersedes that part of section 31-836, Idaho Code, which is
 8 inconsistent herewith;

9 (c) The governing body of the nonprofit corporation must be composed
 10 initially of the incumbent members of the board of hospital trustees,
 11 as individuals. The articles of incorporation must provide for a
 12 membership of the corporation which is:

13 (i) Broadly representative of the public and includes residents
 14 of each incorporated city in the county and of the unincorporated
 15 area of the county; or

16 (ii) A single nonprofit corporate member having articles of
 17 incorporation which provide for a membership of that corporation
 18 which is broadly representative of the public and includes
 19 residents of each incorporated city in the county and of the
 20 unincorporated area of the county.

21 The articles must further provide for the selection of the governing
 22 body by the membership of the corporation, or exclusively by a parent
 23 corporation which is the corporate member, with voting power, and not
 24 by the governing body itself, except to fill a vacancy for the unexpired
 25 term. The articles must further provide that no member of the governing
 26 body shall serve more than two (2) consecutive three (3) year terms.

27 (d) The nonprofit corporation must provide care for indigent patients,
 28 and receive any person falling sick or maimed within the county.

29 (e) The transfer agreement must provide for the transfer of patients,
 30 staff and employees, and for the continuing administration of any
 31 trusts or bequests or maintenance of records pertaining to the existing
 32 public hospital.

33 (f) The transfer or lease agreement shall provide for a transfer or
 34 lease price which shall be either of the following:

35 (i) The acceptance of all assets and assumption of all
 36 liabilities; or

37 (ii) Such other price as the commissioners and the nonprofit
 38 corporation may agree.

39 (2) If any hospital which has been conveyed pursuant to this section
 40 ceases to be used as a nonprofit hospital, unless the premises so conveyed
 41 are sold and the proceeds used to erect or enlarge another nonprofit hospital
 42 for the county, the hospital so conveyed reverts to the ownership of the
 43 county. If any hospital which has been leased pursuant to this section
 44 ceases to be used as a nonprofit hospital, the lease shall terminate.

45 (3) The provisions of section 31-808, Idaho Code, with respect to the
 46 sale and disposition of real and personal property owned by the county, shall
 47 not apply to transactions covered by section 31-3515, Idaho Code, and this
 48 section.

49 SECTION 27. That Section 31-3517, Idaho Code, be, and the same is hereby
 50 amended to read as follows:

1 31-3517. ESTABLISHMENT OF A CATASTROPHIC HEALTH CARE COST
 2 PROGRAM. (1) The governing board of the catastrophic health care cost
 3 program created by the counties pursuant to a joint exercise of powers
 4 agreement, dated October 1, 1984, and serving on June 30, 1991, is hereby
 5 continued as such through December 31, 1992, to complete the affairs of the
 6 board, to continue to pay for those medical costs incurred by participating
 7 counties prior to October 1, 1991, until all costs are paid or the moneys
 8 in the catastrophic health care cost account contributed by participating
 9 counties are exhausted, and to pay the balance of such contributions back to
 10 the county of origin in the proportion contributed. County responsibility
 11 shall be limited to the first eleven thousand dollars (\$11,000) per claim.
 12 The remainder of the eligible costs of the claim shall be paid by the state
 13 catastrophic health care cost program.

14 (2) Commencing October 1, 1991, a catastrophic health care cost program
 15 board is hereby established, and the board shall be the administrator of the
 16 catastrophic health care cost program. This board shall consist of twelve
 17 (12) members, with six (6) county commissioners, one (1) from each of the six
 18 (6) districts or regions established by the Idaho association of counties,
 19 four (4) members of the legislature, with one (1) each being appointed by
 20 the president pro tempore of the senate, the leader of the minority party
 21 of the senate, the speaker of the house of representatives and the leader of
 22 the minority party of the house of representatives, one (1) member appointed
 23 by the director of the department of health and welfare, and one (1) member
 24 appointed by the governor.

25 (a) The county commissioner members shall be elected by the ~~boards of~~
 26 county commissioners of the member counties of each district or region,
 27 with each board of county commissioners entitled to one (1) vote. The
 28 process and procedures for conducting the election and determining
 29 the members shall be determined by the board itself, except that the
 30 election must be conducted, completed and results certified by December
 31 31 of each year in which an election for members is conducted. The
 32 board recognized in subsection (1) of this section shall authorize and
 33 conduct the election in 1991.

34 (b) The term of office of a member shall be two (2) years, commencing
 35 on January 1 next following election or appointment, except that for
 36 commissioner members elected in 1991, the commissioner members from
 37 districts or regions 1, 3 and 5 shall serve for a term of one (1) year,
 38 and the commissioner members from districts or regions 2, 4 and 6
 39 shall serve for a term of two (2) years. Members may be reelected or
 40 reappointed. Election or appointment to fill vacancies shall be for the
 41 balance of the unexpired term.

42 (c) The member appointed by the governor shall be reimbursed as
 43 provided in section 59-509(b), Idaho Code, from the catastrophic health
 44 care cost account.

45 (d) At the first meeting of the board in January of each year, the
 46 board shall organize by electing a chair, a vice-chair, and such other
 47 officers as desired.

48 (3) The legislative council shall cause a full and complete audit of
 49 the financial statements of the program as required in section 67-702, Idaho
 50 Code.

(4) The ~~administrator board~~ shall submit a request to the governor and the legislature in accordance with the provisions of chapter 35, title 67, Idaho Code, for an appropriation for the maintenance and operation of the catastrophic health care program.

SECTION 28. That Section 31-3518, Idaho Code, be, and the same is hereby amended to read as follows:

31-3518. ADMINISTRATIVE RESPONSIBILITY. (1) The ~~administrator board~~ shall, in order to facilitate payment to providers participating in the county medically indigent program and the catastrophic health care cost program, have on file the reimbursement rates allowed for all participating providers of medical care. However, in no event shall the amount to be paid exceed the usual, reasonable, and customary charges for the area.

(2) The ~~administrator board~~ may contract with an independent contractor to provide services to manage and operate the program, or the ~~administrator board~~ may employ staff to manage and operate the program.

(3) The ~~administrator board~~ shall develop rules for a catastrophic health care cost program after consulting with the counties, organizations representing the counties, health care providers and organizations representing health care providers.

(4) The ~~administrator board~~ shall submit all proposed rules to the legislative council for review prior to adoption, in a manner substantially the same as proposed executive agency rules are reviewed under chapter 52, title 67, Idaho Code. Following adoption, the ~~administrator board~~ shall submit all adopted rules to the legislature for review in a manner substantially the same as adopted executive agency rules are reviewed under chapter 52, title 67, Idaho Code. The legislature, by concurrent resolution, may modify, amend, or repeal any rule of the ~~administrator board~~.

SECTION 29. That Section 31-3519, Idaho Code, be, and the same is hereby amended to read as follows:

31-3519. PAYMENT FOR SERVICES. Each board of county commissioners shall make payments to providers for ~~covered~~ necessary medical services provided to the medically indigent as follows:

(1) Upon receipt of a final determination by the county commissioners approving an application for ~~necessary medical services~~ financial assistance under the provisions of this chapter, an applicant, a provider, or the third party on behalf of the applicant, shall, within sixty (60) days, submit ~~the claim to the department for its utilization management review pursuant to section 31-3503C, Idaho Code. The department shall forward the reviewed claim to the responsible county. The forwarded claim shall be a county claim pursuant to the procedures provided in chapter 15, title 31, Idaho Code.~~

(2) Payment shall be made to providers on behalf of an applicant and shall be made on the next payment cycle. In no event shall payment be delayed longer than sixty (60) days from receipt of the ~~department's reviewed~~ county claim.

1 (3) Payment to a provider pursuant to this chapter shall be payment of
 2 the debt in full and the provider shall not seek additional funds from the
 3 applicant.

4 (4) In no event shall a county be obligated to pay a claim, pursuant to
 5 this chapter, in an amount which exceeds the reviewed claim as determined by
 6 the department's utilization management program.

7 (5) The ~~department clerk~~ shall forward claims exceeding eleven
 8 thousand dollars (\$11,000) per recipient in a consecutive twelve (12) month
 9 period to the ~~catastrophic health care cost program~~ board within fourteen
 10 (14) days after approval of an application along with a statement of which
 11 costs the clerk has or intends to pay.

12 (6) The ~~catastrophic health care cost program~~ board shall, within
 13 forty-five (45) days after approval by the ~~administrator~~ board, submit the
 14 claim to the state controller for payment.

15 SECTION 30. That Section 31-3520, Idaho Code, be, and the same is hereby
 16 amended to read as follows:

17 31-3520. CONTRACT FOR PROVISION OF NECESSARY MEDICAL SERVICES FOR THE
 18 MEDICALLY INDIGENT. The ~~boards of~~ county commissioners in their respective
 19 counties, may contract for the provision of necessary medical services
 20 to the medically indigent of the county and may, by ordinance, limit the
 21 provision of and payment for nonemergency necessary medical services to a
 22 contract provider. They shall require the contractor to enter into a bond to
 23 the county with two (2) or more approved sureties, in such sum as the ~~board~~
 24 county commissioners may fix, conditioned for the faithful performance of
 25 his duties and obligations as such contractor, and require him to report
 26 to the ~~board~~ county commissioners quarterly all persons committed to his
 27 charge, showing the expense attendant upon their care and maintenance.

28 SECTION 31. That Section 31-3521, Idaho Code, be, and the same is hereby
 29 amended to read as follows:

30 31-3521. EMPLOYMENT OF PHYSICIAN. The ~~board~~ county commissioners
 31 may employ a physician to attend, when necessary, the patients of the
 32 county hospital, provided, however, that the ~~board of~~ county commissioners
 33 may enter into contracts with groups of licensed physicians for medical
 34 attendance upon patients of the county hospital or other persons receiving
 35 medical attendance at county expense. They may provide for the employment,
 36 at some kind of manual labor, of such of the patients as are capable and able
 37 to work and the attending physicians must certify to the person in charge
 38 or lessee of the county hospital the names of such of the patients as are
 39 incapable of manual labor, and when any such patient becomes capable the
 40 physician shall certify that fact.